

MINUTES OF THE
ASSESSING STANDARDS BOARD
SUB-COMMITTEE

Approved as Amended

DATE: January 11, 2016

TIME: 9:35 a.m.

LOCATION: NH Dept. of Revenue, 109 Pleasant Street, Concord, NH.

COMMITTEE MEMBERS:

Betsey Patten, Public Member, Chairman
Jim Wheeler, Designate, Municipal Official, City
Stephan Hamilton, Designate, DRA Commissioner
Representative Patrick Abrami

Representative Mark Proulx
Eric Stohl, Municipal Official, Towns <3,000
Robert Gagne, NHA AO

MEMBERS of the PUBLIC:

Jim Michaud, Town of Hudson
Susan Golden, City of Concord
Loren Martin, Avitar
Len Gerzon, ASB
Ellen Scarponi, Fairpoint
Maura Weston
Charlene Lucas, GES
Teresa Rosenberger, Devine Millimet

Scott Dickman, NHDRA
Chris Hodgdon, Comcast
Andrew Kingman, AT & T
Eric McHer, DTC
Cordell Johnston, NHMA
Cindy Brown, BTLA
Kevin O'Quinn, Fairpoint

Chairman Patten convened the meeting at 9:35 a.m.

Introductions followed.

Next Subcommittee Meeting

Next meeting set for January 25, 2016.

Minutes

Mr. Eric Stohl made a motion to accept the meeting minutes of December 22, 2015. Mr. Bob Gagne seconded.
Minutes approved as written.

Material from Fairpoint

A brief discussion followed regarding the information received from Fairpoint. Chairman Patten mentioned that they didn't just want information from Fairpoint; they also wanted information regionally and nationally so there would be a variety versus just one view point.

Discussion

Mr. Steve Hamilton gave a synopsis of a presentation of the two basic formulas (1) replacement cost new less depreciation and (2) collecting the original costs for each element etc. Mr. Hamilton felt that the replacement cost new less depreciation would be most appropriate for simplicity's sake and efficiency of application. Rulemaking structure, current use board's method of formulas and CPI were also discussed and clarified. Mr. Scott Dickman

explained the “5 year rolling average”. RS Means, Handy Whitman and Marshall & Swift were discussed as possible referrals for the 5 year rolling average plan inputs. Mr. Bob Gagne moved for a ***motion for replacement cost new input into the formula based on 5 year rolling average, which Mr. Hamilton seconded.*** Mr. Hamilton wanted these to be ASB values and not DRA values – Mr. Gagne agreed. Mr. Hamilton advised this should be about the conditions within each community generally not with each pole individually. A discussion followed regarding concerns with a community benefitting from conditions as well as the cost to install should be universal not separated into granite, sand etc. It was decided that countywide vs by town (10 vs 259) would be more manageable. Chairperson Patten brought the discussion back to the motion on the table of ***5 year rolling average to get to the replacement cost new and the study of local markets and national data be done by the DRA and given to the ASB.*** Motioned by Mr. Gagne and seconded by Mr. Hamilton. All were in favor.

History of Telecommunications 83:4

Mr. Gagne questioned if Mr. Hamilton knew why utility wasn't included in telecommunications. Chairperson Patton asked if the history behind that decision can be found. Representative Abrami advised he could put in an amendment asking for a study on this as part of the bill.

Collection of Data

Mr. Scott Dickman then briefly spoke of the collection of data thus far (mentioned the FCC and Fairpoint) and the economic life of a pole. Further discussion followed with Mr. Dickman, Mr. Gagne and Mr. Hamilton regarding the median age of a pole, establishing the economic life of a pole, establishment of a floor etc.

Mr. Hamilton advised they would report a county bias (if applicable), what is learned and also will be able to report what the starting point of depreciation discussion might look like. Chairperson Patten advised that legislatively the following issues may need to be addressed;

- USPAP
- 72:12,
- 21:J rulemaking
- Inventory.

Chairman Patten adjourned the meeting by acclamation at 11:50 a.m.

Respectfully submitted,

Elizabeth McGill
NH Department of Revenue Administration – Municipal and Property Division

Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

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